

RHODE ISLAND COMMERCE CORPORATION

MEETING OF DIRECTORS

PUBLIC SESSION

The Board of Directors of the Rhode Island Commerce Corporation (the "Corporation") met on February 22, 2016 in Public Session, beginning at 5:00 p.m. at the offices of the Corporation, located at 315 Iron Horse Way, Suite 101, Providence, RI 02908, pursuant to the public notice of meeting, a copy of which is attached hereto as Exhibit A, as required by applicable Rhode Island law.

The following Directors were present and participated throughout the meeting as indicated: Governor Gina M. Raimondo, Bernard V. Buonanno III, Dr. Nancy Carriuolo, Tim Hebert, Mary Jo Kaplan, Jason Kelly, Mary Lovejoy, Michael F. McNally, George Nee, Donna M. Sams, Vanessa Toledo-Vickers and Karl Wadensten.

Directors absent were: Ronald O'Hanley.

Also present were: Secretary of Commerce Stefan Pryor, Darin Early, Jesse Saglio, Daniel Jennings, Michael Walker, Jeremy Licht and Thomas Carlotto.

1. CALL TO ORDER AND OPENING REMARKS

The Governor called the meeting to order at 5:10 p.m. indicating that a quorum was present.

2. TO CONSIDER FOR APPROVAL THE PUBLIC SESSION MINUTES FOR THE MEETING HELD ON JANUARY 25, 2016

Upon motion duly made by Ms. Toledo-Vickers and seconded by Mr. Kelly, the following vote was adopted:

VOTED: To approve the Public Session Minutes for the meeting held on January 25, 2016, as submitted to the Directors.

Voting in favor of the foregoing were: Bernard V. Buonanno III, Dr. Nancy Carriuolo, Tim Hebert, Mary Jo Kaplan, Jason Kelly, Mary Lovejoy, Michael F. McNally, George Nee, Donna M. Sams, Vanessa Toledo-Vickers and Karl Wadensten.

Voting against the foregoing were: None.

3. TO CONSIDER FOR APPROVAL PRINCIPLES AND GUIDELINES FOR THE SMALL BUSINESS ASSISTANCE PROGRAM

Mr. Jennings gave an overview of the principles under consideration by the Board.

Mr. Hebert discussed the review undertaken by the Access to Capital Committee over a two month period in relation to the principles for

the program and the proposed providers. He noted that the Corporation had solicited program participants through an RFP process. He proceeded to detail the principles and their application to the program and providers.

Upon motion duly made by Ms. Toledo-Vickers and seconded by Mr. Hebert, the following vote was adopted:

VOTED: To approve the Principles and Guidelines for the Small Business Assistance Program, as submitted to the Directors.

Voting in favor of the foregoing were: Bernard V. Buonanno III, Dr. Nancy Carriuolo, Tim Hebert, Mary Jo Kaplan, Jason Kelly, Mary Lovejoy, Michael F. McNally, George Nee, Donna M. Sams, Vanessa Toledo-Vickers and Karl Wadensten.

Voting against the foregoing were: None.

A copy of the Principles and Guidelines is attached hereto as Exhibit B.

4. TO CONSIDER FOR APPROVAL PROVIDERS FOR THE SMALL BUSINESS ASSISTANCE PROGRAM

Ms. Kaplan recused herself from participation in this Agenda item.

Mr. Hebert discussed the review undertaken by the Access to Capital Committee and the proposed program partners. He noted that BDC Capital was still awaiting determination on a matching component that was a prerequisite to the Corporation entering into an agreement.

Secretary Pryor asked if the Committee had considered a time limitation in relation to the contingency and Mr. Hebert indicated he believed the time-frame was 30 days. Mr. Jennings concurred that a 30 day limitation was appropriate.

Mr. Hebert indicated that two features of the program were; first, that it allowed for leverage of additional monies rather than having the Corporation simply establish its own loan program; and, second, that it allowed leverage of the existing experience and staff of lending organizations already in the space and committed to such programs.

Ms. Sams asked about the outcomes of the existing organizations being proposed for the Small Business Loan portion of the program. Mr. Jennings explained that the staff had vetted the organizations. Ms. Sams inquired if there was an analysis of how successful the businesses receiving such loans have been. Mr. Early explained that the staff had undertaken a portfolio review to determine the qualification of each organization which included the performance of those loans. He further noted that each provider would be monitored which would allow the Corporation to measure outcomes and allocate resources based upon success.

Mr. Jennings moved on to discuss the microloan allocations recommended to the Board. Mr. Hebert also discussed the microloan portion of the program and noted that there might be some reallocation if BDC was unable to obtain an appropriate match in the Small Business Loan sector.

The Governor inquired whether there was a motion for approval pursuant to the Resolution with the proviso that BDC have a matching component within 30 days.

Upon Motion duly made by Ms. Sams and seconded by Ms. Toledo-Vickers, the following vote was adopted:

VOTED: To approve the proposed providers for the Small Business Assistance Program with the proviso that BDC be required to obtain a matching component within 30 days.

Voting in favor of the foregoing were: Bernard V. Buonanno III, Dr. Nancy Carriuolo, Tim Hebert, Jason Kelly, Mary Lovejoy, Michael F. McNally, George Nee, Donna M. Sams, Vanessa Toledo-Vickers and Karl Wadensten.

Voting against the foregoing were: None.

A copy of the Resolution is attached hereto as Exhibit C.

5. TO CONSIDER THE APPLICATION OF TRADE AREA SYSTEMS, INC. ("TAS") FOR TAX CREDITS UNDER THE QUALIFIED JOBS INCENTIVE TAX CREDIT PROGRAM

Mr. Saglio provided detail as to Trade Area Systems, Inc. ("TAS") which is a leading provider of enterprise market intelligence systems for retailers, retail real estate developers and owners and retail brokers. He explained that the company was proposing to move its operations from Attleboro, MA to Providence, resulting in the transfer of twenty full-time employees in the first year in Rhode Island and the anticipated addition of another eight full time employees thereafter.

Ms. Sams asked Joe Rando, a principal of TAS, why they decided to move. Mr. Rando indicated that the company looked at Boston, but it didn't make sense given its current location and existing employee makeup. He explained that Providence provided the best fit in terms of location and atmosphere to help the company attract and retain employees.

Ms. Sams inquired if part of the rationale was a more urban community that is more attractive to younger talent. Mr. Rando emphasized that that was one of Providence's strengths and gave an example of a recent intern of exceptional talent that his company couldn't retain due to its locale.

Mr. Saglio went on to explain that the tax credits are approximately half of the expected cost of the transition for the company, so it is making a significant investment to move to Rhode Island.

Upon Motion duly made by Mr. Hebert and seconded by Ms. Kaplan, the following vote was adopted:

VOTED: To approve the application of Trade Area Systems, Inc. for tax credits under the Qualified Jobs Incentive Tax Credit program.

Voting in favor of the foregoing were: Bernard V. Buonanno III, Dr. Nancy Carriuolo, Tim Hebert, Mary Jo Kaplan, Jason Kelly, Mary Lovejoy, Michael F. McNally, George Nee, Donna M. Sams, Vanessa Toledo-Vickers and Karl Wadensten.

Voting against the foregoing were: None.

A copy of the Resolution is attached hereto as Exhibit D.

6. TO CONSIDER THE APPLICATION OF WALDORF CAPITAL MANAGEMENT/CBWD HOLDINGS I, LLC ("WALDORF") FOR TAX CREDITS UNDER THE REBUILD RHODE ISLAND TAX CREDIT PROGRAM

Dr. Carriuolo recused herself from participation in this Agenda item.

Secretary Pryor gave some background to the tax credit programs and the recommendations of consultants. A copy of the Secretary's presentation is annexed hereto as Exhibit E.

Mr. Early gave a summary of the tax credit applicants and their projects. He next introduced Mr. Saglio to discuss each of the applicants under the Rebuild program.

Mr. Saglio detailed the project use type, size, project cost and credit amount.

Ms. Lovejoy asked if this was similar to the prior applicants who sought capital from a number of sources, but were rejected, giving rise to an inability to get the projects off the ground. Mr. Saglio explained that the applicants before the board were different in that the underlying economics were insufficient to provide an appropriate operating return to justify the undertaking. He explained that a gap exists such that without the tax credits the projects won't proceed.

Mr. Buonanno commented that the Investment Committee had reviewed the project and voted to recommend approval to the Board. He went on to discuss the "but for" test and how it applied to this project.

Upon motion duly made by Mr. Buonanno and seconded by Mr. Kelly, the following vote was adopted:

VOTED: To approve the application of Waldorf Capital Management/CBWC Holdings I, LLC for tax credits under the Rebuild Rhode Island Tax Credit program.

Voting in favor of the foregoing were: Bernard V. Buonanno III, Tim Hebert, Mary Jo Kaplan, Jason Kelly, Mary Lovejoy, Michael F. McNally, George Nee, Donna M. Sams, Vanessa Toledo-Vickers and Karl Wadensten.

Voting against the foregoing were: None.

A copy of the Resolution is attached hereto as Exhibit F.

7. TO CONSIDER THE APPLICATION OF CASE MEAD ASSOCIATION, LLC ("CASE MEAD") FOR TAX CREDITS UNDER THE REBUILD RHODE ISLAND TAX CREDIT PROGRAM

Mr. Buonanno recused himself from participation in this Agenda item.

Mr. Saglio detailed the project use type, size, project cost and credit amount.

Ms. Kaplan asked how long the building has been vacant.

Mr. Joseph Paolino, representing the applicant, explained that his company had previously occupied the space but it was not suitable as commercial office space and had been unoccupied for approximately two years.

Ms. Kaplan asked what the Board should expect going forward in terms of the type and location of projects under the program.

Secretary Pryor indicated that it was expected that additional mixed-use and residential projects located in Providence and other communities would come before the Board. He also noted that it was anticipated that a certain amount of commitments would be reserved for commercial and industrial development in the state.

Upon motion duly made by Ms. Sams and seconded by Mr. Nee, the following vote was adopted:

VOTED: To approve the application of Case Mead Association, LLC for tax credits under the Rebuild Rhode Island Tax Credit program.

Voting in favor of the foregoing were: Dr. Nancy Carriuolo, Tim Hebert, Mary Jo Kaplan, Jason Kelly, Mary Lovejoy, Michael F. McNally, George Nee, Donna M. Sams, Vanessa Toledo-Vickers and Karl Wadensten.

Voting against the foregoing were: None.

A copy of the Resolution is attached hereto as Exhibit G.

8. TO CONSIDER FOR APPROVAL THE ENGAGEMENT OF JONES LANG LASALLE ("JLL") IN RELATION TO A TRANSIT HUB PROJECT

Mr. Walker discussed the proposed transit hub project and the Corporation's role in assisting the Department of Transportation ("DOT") with the project. He indicated that the Corporation issued an RFP for on-call services, and JLL is an approved vendor. Mr. Walker explained that the expected expenditure would exceed the \$20,000 limit under the purchasing statute for consultants and would thus require authorization from the Board. He also explained that DOT would be reimbursing the Corporation for the cost of the consultant.

Upon motion duly made by Mr. Hebert and seconded by Mr. Nee, the following vote was adopted:

VOTED: To approve the engagement of Jones Lang Lasalle in relation to a transit hub project.

Voting in favor of the foregoing were: Bernard V. Buonanno III, Dr. Nancy Carriuolo, Tim Hebert, Mary Jo Kaplan, Jason Kelly, Mary Lovejoy, Michael F. McNally, George Nee, Donna M. Sams, Vanessa Toledo-Vickers and Karl Wadensten.

Voting against the foregoing were: None.

A copy of the Resolution is attached hereto as Exhibit H.

9. TO DISCUSS AMENDED BYLAWS FOR THE CORPORATION

Mr. Carlotto gave a brief overview of the structure and content of the proposed amendments to the bylaws. He noted specific provisions relative to the management of the Corporation by the Directors, changes to the notice provisions, committee creation and selection of members to serve on committees and making the indemnification provisions more expansive and robust, inclusive of the addition of employees of the Executive Office of Commerce acting as agents for the Corporation.

Mr. Hebert asked if it were possible to include notice requirements that would permit the use of electronic communication other than email, such as a portal for board materials. The Governor indicated that was a good idea and requested that Mr. Carlotto insert appropriate language in the draft.

Mr. Buonanno inquired as to the changes to the indemnification provision. Mr. Carlotto explained that the changes were made to expand the indemnity to the permissible limits under the law in a manner favorable to indemnitees consistent with present day

corporate practice.

The Governor suggested that the Directors review the bylaws in more detail over the next month and if they have additional comments or questions to contact Mr. Early, Mr. Licht or Mr. Carlotto.

10. TO CONSIDER FOR APPROVAL EXECUTIVE SESSION.

Upon motion duly made by Mr. Wadensten and seconded by Mr. Nee, the following vote was adopted:

VOTED: That pursuant to Rhode Island General Laws Section 42-46-5(a)(7) and 42-46-5(a)(2) to enter into executive session to approve Executive Session Minutes.

Voting in favor of the foregoing were: Bernard V. Buonanno III, Dr. Nancy Carriuolo, Tim Hebert, Mary Jo Kaplan, Jason Kelly, Mary Lovejoy, Michael F. McNally, George Nee, Donna M. Sams, Vanessa Toledo-Vickers and Karl Wadensten.

Voting against the foregoing were: None.

The Board of Directors, staff and counsel entered into the executive session at 6:17 p.m.

The public session reconvened at 6:31 p.m.

Upon motion duly made by Mr. Nee and seconded by Mr. Kelly, the following vote was adopted:

VOTED: That the minutes of the Executive Session shall not be made available to the public, except as to the portions of such minutes as the Board shall ratify and report in public session of this meeting.

Voting in favor of the foregoing were: Bernard V. Buonanno III, Dr. Nancy Carriuolo, Tim Hebert, Mary Jo Kaplan, Jason Kelly, Mary Lovejoy, Michael F. McNally, George Nee, Donna M. Sams, Vanessa Toledo-Vickers and Karl Wadensten.

Voting against the foregoing were: None.

Mr. Carlotto stated that during the Executive Session a unanimous vote of the Directors was taken to approve the Executive Session minutes for the meeting held on September 30, 2015 and January 25, 2016, and that those minutes remain sealed.

Vote to adjourn.

There being no further business in Public Session, the meeting was adjourned by unanimous consent at 6:34 p.m. upon motion made by Ms. Sams and seconded by Ms. Kaplan.

Thomas Carlotto, Secretary